

Rep. Brad Miller Gears Up for Fight With the Financial Industry to Pass Consumer Protection Law

[WASHINGTON, D.C.] - **Rep. Brad Miller (D-NC)** today joined forces with the Chairman of the House Financial Services Committee Barney Frank and other committee members at a press conference in Washington to call for passage of the Obama Administration's proposed Consumer Financial Protection Agency (CFPA). Miller and Rep. Bill Delahunt (D-MA) introduced similar legislation in the House that would put a single government agency in charge of ensuring that the offering of financial products to consumers is responsible, accountable and transparent.

The agency would be a centerpiece of financial market reform. It would improve the fractured oversight of the nation's financial markets, in which at least 10 federal regulators have some responsibility for consumer financial protection, but none have oversight as their primary objective. In this absence of meaningful oversight, the number of deceptive and predatory consumer financial products has exploded, including unscrupulous subprime mortgages and abusive credit card practices.

The CFPA is under fierce attack by the financial services industry, the U.S. Chamber of Commerce and a growing number of business groups. The industry has employed an army of lobbyists to try to defeat the agency.

Consumer groups are fighting back. Lead by [Americans for Financial Reform](#) , they joined lawmakers today to support the call for the CFPA.

The House Financial Services Committee will consider the CFPA legislation in September.

The complete text of **Rep. Miller's** remarks today are below:

The idea behind this bill is simple: take the dribbles and drabs of existing legal power to protect consumers from the seven agencies that haven't used that legal power, and give it to one agency that will.

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The real fight is not over small details in the bill, but over that simple idea. And however the financial industry spins their opposition, the fact is that the Consumer Financial Protection Agency would protect consumers against them. Of course they're against it.

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The industry argues that the legislation to create a Consumer Financial Protection Agency would stifle innovation, limit consumer choice, and drive up the cost of borrowing for consumers. The industry made the same "plain vanilla" argument against consumer protection legislation for mortgages, credit cards, overdraft fees, and on and on. The argument wasn't true then and it isn't true now.

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The industry's vulgar profits and compensation are only possible because consumers cannot possibly make informed decisions in their own interest because the contract terms that really matter, the penalties and fees that trap consumers in debt and systematically strip them of their paycheck and their life's savings, lurk in dense legalese deep inside contracts written by the

lenders. If consumers could price-shop between similar financial products that they really understood, the industry's vulgar profits and compensation would not be possible.

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This legislation will allow lenders to make an honest living and make credit available to consumers who need it, but it will not allow lenders to make a killing by taking advantage of consumers. The difference between an honest living and a killing would be an enormous savings to consumers.

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